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IN THE

Supreme Court of the United States

OCTOBER TERM, 1968

No. 442

MARVIN K. SWOFFORD, MARION F. WRIGHT AND ESSEX CORPORATION, d/b/a THE PATHFINDER COMPANY,

Petitioners,

v.

B & W, INC.,
(And Reverse Title)

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

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MARVIN K. SWOFFORD, MARION F. WRIGHT AND ESSEX CORPORATION, d/b/a THE PATHFINDER COMPANY,

Petitioners,

v.

B & W, INC.,
(And Reverse Title)

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

Petitioners pray that a Writ of Certiorari issue to review the decision in this cause of the United States Court of Appeals for the Fifth Circuit.

OPINION BELOW

A copy of the opinion of the Court of Appeals (R. 827-840) upon which review is sought is in the Appendix of this Petition, pp. 1a-12a. It is reported at 158 USPQ 72; ..... F. 2d .....

JURISDICTION

The Opinion of the Court of Appeals sought to be reviewed was rendered May 22, 1968 (R. 827-840). The Judgment of the Court of Appeals was entered on May 22, 1968 (R. 841). No petition for rehearing was filed.

The jurisdiction of writ of certiorari is invoked under 28 U.S.C. 1254(1).

QUESTIONS PRESENTED FOR REVIEW

Although this Honorable Court recognized novelty, utility and unobviousness as the three requisites of patentability in *Graham* v. *John Deere*, 383 U.S. 1 (1966), this Court left unanswered (as it was not there at issue) the issue of *who* is to determine obviousness *vel non* under 35 U.S.C. 103.

Therefore, the question is: Is obviousness a question of

(1) Fact only to be determined by the trier of fact, or

(2) Law only to be determined solely by the Court with no jury function.

CONSTITUTIONAL PROVISION

In suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury shall be otherwise re-examined in any Court of the United States, than according to the rules of the common law. U. S. Const. amend. VII.

STATEMENT OF THE CASE

Petitioners brought suit in the District Court for infringement of claims 1-7 inclusive of U. S. Letters Patent No. 3,144,085 (R. 352-380).

Petitioners demanded a jury and Respondent's motion to strike the jury was denied. The Court of Appeals for the Fifth Circuit affirmed the action of the District Court

and remanded for a jury trial on the issues of validity and infringement. *Swofford* v. *B & W, Inc.*, 336 F. 2d 406 (5th Cir.), *cert. denied*, 379 U.S. 962 (1964).

On trial, after a jury determination that the subject matter of the patent was nonobvious (R. 828; Appendix at 2a), the District Judge withdrew the issue of obviousness from the jury, said that invention is a question of law (R. 829; Appendix at 3a) and disregarded the express jury findings as to nonobvionsness and found claims 1-7 of Patent 3,144,085 to be invalid. 251 F. Supp. 811, 815 (S.D. Tex. 1966).

On Appeal, the Court of Appeals for the Fifth Circuit held that *obviousness is a question of law* and affirmed the lower court.

FEDERAL JURISDICTION OF COURTS BELOW

This is a suit for patent infringement. Jurisdiction of Federal Courts is founded on 28 U.S. Code, Sections 1338 and 1400.

ARGUMENT

I.

CERTIORARIA, ALTHOUGH DISCRETIONARY, HAS BEEN CONSISTENTLY GRANTED WHEN CONFLICT WITH THE DECISION OF ANOTHER COURT OF APPEALS ON THE SAME MATTER IS PRESENT

The Supreme Court has recognized the necessity of granting certiorari when a conflict exists between the decision of the Court of Appeals in issue and prior decisions of other Courts of Appeal or the Supreme Court. 28 U.S.C. 1254(1); *Fourco Glass Co.* v. *Transmira Prod. Corp.*, 353 U.S. 222, 225 (1957); *Sanford* v. *Kepner*, 344 U.S. 13, 14 (1952).

CONFLICT BETWEEN CIRCUITS ON ISSUE OF OBVIOUSNESS

Circuit	2	3	4	5	6	7	8	9	10
Court of Appeals decision holding obviousness to be fact question			Mahaffy 1968*	Reynolds* 1967 Zero* 1966 Lorenz* 1964 Italit* 1964 Duo 1963 Fritz 1955	Maytag 1963 Sterling 1962 Hahn* 1962 Little 1958		Rota-Carb 1963 Steffan 1956 Trico 1950		Skinner 1965 Admiral 1961
District Court-Fact	Assoc. 1965	Keuffel 1963						Zilk 1965	
Circuit	2	3	4	5	6	7	8	9	10
Cases cited by Fifth Circuit purportedly holding obviousness to be question of law	Hygienic† 1962 Tatko† 1954	Packwood† 1952	Heyl† 1963	Metal† 1968 Hensley† 1967 Sisko† 1967 Nat'l† 1967 Upright† 1966	Monroe 1964 Houston 1959 Little 1958 Fritz 1955 Butex 1941	Armour† 1960		Bergman 1958 Cee-Bee 1958	Griswold 1966 Blish 1956

Legend: * Cited as fact question by instant court.
† Distinguished by petitioner.

Present status as shown by chart:

8th and D.C. Circuits: obviousness is a *fact* question.

C.C.P.A. and 7th Circuits: obviousness is a question of *law*.

2nd, 3rd and 9th Circuits: issue unresolved with later District Court decisions holding obviousness is a *fact* question.

4th Circuit: latest case holding obviousness to be *fact* question.

6th and 10th Circuits: recent cases holding for *both* propositions.

5th Circuit: in issue before the Supreme Court today.

9	10	D.C.	C.C.P.A.
	Skinner 1965 Admiral 1961	Commiss. 1968 Baenitz 1966 Schafer 1961 Sohn 1958	
Zilk 1965			

9	10	D.C.	C.C.P.A.
Bergman 1958 Cee-Bee 1958	Griswold 1966 Blish 1956		Sporck 1962 Eller 1962

II.

A SUBSTANTIAL CONFLICT EXISTS BETWEEN THE PRESENT DECISION AND PRIOR DECISIONS OF OTHER COURTS OF APPEALS

The Fifth Circuit Court of Appeals in its present decision cited nine Fifth Circuit cases holding for the proposition that obviousness is a *question of law* (R. 837; Appendix at 9a-10a). Also, the Court cited cases from the Second, Third, Fourth, Sixth, Seventh, Ninth and Tenth Circuits as well as from the Court of Customs and Patent Appeals purportedly holding identically (R. 839; Appendix at 11a).

Petitioner submits that obviousness has been held to be a *fact question* in a significant number of cases in other Court of Appeals and, therefore, a conflict, a serious conflict, exists among the circuits. The Second, Third, Fourth, Sixth, Eighth, Ninth, Tenth and D. C. Circuits truly hold that obviousness is a *question of fact,* thus presenting a deleterious conflict among the circuits. Attention is directed to the chart, p. 4, illustrating the conflict presently existing among the circuits on this important issue.

In this year the Fourth Circuit in *Mahaffy and Harder Engineering Co.* v. *Standard Packaging Corp.,* 156 U.S.P.Q. 601, 605, ... F. 2d ..... (4th Cir. 1968) admitted the necessity of factual inquiry as to obviousness *vel non:*

> *Since statutory obviousness is a question of fact,* Noe v. Smith, 300 F. 2d 430 (4h Cir. 1962); Willis v. Town, 182 F. 2d 892, 894 (8th Cir. 1950) . . . , we could reverse the District Judge's finding here only if we were convinced that it was clearly erroneous. F.R. Civ. P. 52(a). While on the objective facts alone, we altogether agree with the District Judge, noteworthy is the expert testimony to the effect that the advancements claimed in 839 would be obvious to an artisan experienced in vacuum packaging. On the record, these

witnesses were competent and were qualified to express an opinion. Although decision is not rested on their evidence, it is a further confirmation of the findings of the District Judge. (emphasis added.)

"Subtests" such as commercial success, needs previously unsolved and failure of others to provide the solution, considerations suggested in Graham v. John Deere Company, supra, 383 U.S. 1, (1966) as negating obviousness, have not been overlooked. They simply have been found of insufficient weight to overturn the obviousness made plain in the evidence.

The Sixth Circuit Court of Appeals in *Maytag Co.* v. *Murray Corp.*, 318 F. 2d 79, 81-82 (6th Cir. 1963) equated invention to obviousness and said:

. . . *Invention under this test* (obviousness) is *a question of fact* . . . (emphasis added).

We cannot say that this finding of fact is clearly erroneous. Findings of fact of the trial court in a patent case cannot be set aside unless clearly erroneous. Rule 52(a), F.R.C.P.

Obviousness was considered a fact question and subject to the clearly erroneous rule in *Sterling Aluminum Prod., Inc.* v. *Bohn Aluminum & Brass Corp.*, 298 F. 2d 538 (6th Cir. 1962).

Although the Eighth Circuit Court of Appeals has considered the question only briefly, the critical issues of whether a combination involved anything more than mechanical skill (obviousness) was held *to be a question of fact. Trico Prod. Corp.* v. *Delman Corp.*, 180 F. 2d 529 (8th Cir. 1950); *Rota-Carb Corp.* v. *Frye Mfg. Co.*, 313 F. 2d 443, 444 (8th Cir., 1963). In *Steffan* v. *Weber Heating & Sheet Metal Co.*, 237 F. 2d 601, 602 (8th Cir., 1956), the Eighth Circuit Court succinctly decided the status of obviousness as a fact question as follows:

> *The question of whether any improvement involves merely mechanical skill or inventive genius is ordinarily a question of fact and the findings of the trial court upon such issue shall not be set aside unless clearly erroneous.* Graver Tank & Mfg. Co., Inc. v. Linde Air Products Co., 336 U.S. 271, 274, 69 S. Ct. 535, 93 L. Ed. 672; . . . A question of law may be involved where the trial court has applied an improper standard of invention . . . Here however, we are not confronted with such a situation. (emphasis added).

The distinction between *patent validity being a question of law* and *unobviousness being a question of fact* will be shown to be not only logical but prevalent in other fields of law, such as tort law. Clearly patent validity is an ultimate question of law; nevertheless, it is measured by all three requisites of patentability — novelty, utility and *unobviousness* — which are all *fact* questions. The Court of Appeals of the Tenth Circuit recognized validity and obviousness as *entirely separate conceptual entities in Skinner Co.* v. *Continental Indus., Inc.*, 346 F. 2d 170, 173 (10th Cir. 1965):

> Although this case is presented with the complexity typical in patent controversies, the critical finding of the trial court in that appellant's claims are premises upon an old and exhausted combination, thus indicating a primary appellate inquiry into the issues of validity, see Sears, Roebuck & Co. v. Jones, 10th Cir., 308 F. 2d 705 cert. denied 371 U.S. 952 83 S. Ct. 509, 9 L. Ed. 2d 501, which is ultimately a question of law for the court to decide. Mott Corp. v. Sunflower Industries, Inc., 10th Cir., 314 F. 2d 872. The statutory test to determine validity is whether "the differences between the subject matter sought to be patented and the prior art are such that the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person hav-

> ing ordinary skill in the art * * *." 35 U.S.C. Sec. 103. *The statute presents an ultimate question of fact, and the trial court's finding of obviousness is safeguarded by the clearly erroneous rule so long as this ultimate factual conclusion was arrived at by consideration of proper legal criteria.* Rule 52(a), Fed. R. Civ. P. (emphasis added)

See *Admiral Corp.* v. *Zenith Radio Corp.*, 206 F. 2d 708, 714 (10th Cir. 1961) holding also that obviousness is a question of fact ". . . *which cannot be set aside unless clearly erroneous.*" (emphasis added)

The Court of Appeals of the District of Columbia, after recognizing that the determination of obviousness by a fact finding was not settled, held that utilization of the jury is most conducive to obviousness:

> Whether a finding of obviousness under Section 103, Title 35, United States Code, is a finding of fact or a conclusion of law has been termed a much mooted question . . . .
>
> The *finding of obviousness basically results from the application of subjective opinion to the bare facts of the case. Although it may not conform to the general character of factual determinations as we normally conceive them, it definitely is factual in nature. It is an ultimate fact derived from basic facts.* The finding of nonpatentability, of course, is, on the other hand, a conclusive legal determination. It derives from an application of the pertinent statutory standards to the facts as found. Since most often the decision of nonpatentability follows as a matter of course from the finding that an alleged invention was 'obvious', these separate and distinct elements have come to be mentioned interchangeably in judicial opinions, and this unhappy practice tends to a measure of confusion.

Baenitz v. *Ladd*, 363 F. 2d 969, 972 (D.C. Cir. 1966); *Commissioner of Patents* v. *Deutsche Gold-Und-Silver-Schei-*

deanstalt Vormale Roesslor, 157 U.S.P.Q. 549; ..... F. 2d ..... (D.C. Cir. 1968).

The Fifth Circuit Court of Appeals cited *Hygienic and Tatko* (*infra*) in the Second Circuit; *Packwood* (*infra*) in the Third Circuit; and *Cee-Bee Chem. Co.* v. *Delco Chems., Inc.*, 263 F. 2d 150, 153 (9th Cir. 1958) and *Bergman* v. *Aluminum Lock Shingle Corp.*, 251 F. 2d 801, 809 (9th Cir. 1958) for the proposition that these Circuits are absolutely in favor of nonobviousness being a question of law. Unfortunately, these cases do not tell the whole story as there is later case law holding obviousness to be a fact question within these very Circuits. At the District Court level, obviousness has been held to be a question of fact in the Second Circuit in *Assoc. Pipe Fitting Co.* v. *Belgian Line, Inc.*, 287 F. Supp. 757 (S.D.N.Y. 1965); in the Third Circuit in *Keuffel & Esser Co.* v. *Bruning Co.*, 293 F. Supp. 195 (D.N.J. 1963); and, in the Ninth Circuit in *Zilk* v. *Deaton Fountain Service*, 257 F. Supp. 458, 460 (N.D. Cal. 1966), where a jury instruction quite similar to that in the instant case was submitted (see footnote 2 at R. 828; Appendix at 2a for Instruction 21 submitted by the instant trial court). These District Court cases point out two serious problems to the Honorable Supreme Court. The first problem is that the Second, Third and Ninth Circuits have not held consistently that obviousness is a question of law, in fact, the District Court cases cited are in each Circuit *later* than those cited by the Fifth Circuit here. The second problem is the consistent lack of clarity in almost all of the cases cited by the Fifth Circuit holding obviousness to be a question of law; and, it is this lack of clarity which should be resolved. For there is simply no strong case law holding obviousness to be a question of law. Any cases which attempt to deviate from the logical position that obviousness is a fact question have utmost difficulty in expressing

themselves. The reason for this difficulty of expression lies in the incongruity of holding obviousness to be a question of law when all the building blocks necessary to determine obviousness are facts, not legal questions.

Thus, the case law does conflict among the Circuits and within various circuits, and only the Supreme Court of the United States has the power to abrogate the confusion and restore order to the determination of obviousness and patentability. This last step it failed to do in *Graham* v. *J. Deere, supra,* since the question was not there presented.

III.

THE COURT OF APPEALS FOR THE FIFTH CIRCUIT EMPHASIZED THROUGHOUT ITS OPINION IN THE INSTANT CASE THE UNSETTLED NATURE OF THE ISSUE OF OBVIOUSNESS

The Fifth Circuit Court of Appeals seemed quite concerned over the turmoil surrounding obviousness. Admitting the inconsistency of opinions, the Court of Appeals said:

> A. The issue of nonobviousness or invention has, at various times, been held to present a legal, factual, or mixed question (R. 832; Appendix at 6a).

The Court of Appeals admitted the veracity of Petitioner's position and the confusion within the Fifth Circuit, saying:

> C. Swofford tells, however, that the Fifth Circuit's decisions hold that invention is a question of fact for the jury. While there is *some* truth in this statement, for the most part it represents precisely the type of confusion that arises from "the indiscriminate use of mere labels". Indeed, there are decisions of this Court

stating squarely: "The question of invention was here, as it ordinarily is, one of fact . . ." E.g., *Hahn & Clay* v. *A. O. Smith Corp.*, 5th Cir. 1963, 320 F. 2d 166, 173. See also *Reynolds-Southwestern Corp.* v. *Dresser Indus., Inc.*, 5th Cir. 1967, 372 F. 2d 592, 595. Others merely affirm District Court "findings of fact" that certain patents rise to the level of "invention" or are "nonobvious", sometimes upholding these findings as not clearly erroneous. E.g., *Zero Mfg. Co.* v. *Mississippi Milk Prod. Ass'n.*, 5th Cir. 1966, 358 F. 2d 857; *Lorenz* v. *General Steel Prods. Co.*, 5th Cir. 1964, 337 F. 2d 726, 728; *Italit, Inc.* v. *Johns-Manville Corp.*, 5th Cir. 1964, 331 F. 2d 663, 666. Still others vascillate between the poles: "Validity, while often a pure legal question; is frequently one of fact for resolution by the trier, including a jury." *Hughes Tool Co.* v. *Varel Mfg. Co.*, 5th Cir. 1964, 336 F. 2d 61, 62 n.l. (R. 836; Appendix at 9a)

Thus, as shown in Paragraphs II and III, a deleterious conflict exists among and within the Circuits which can only be alleviated by the United States Supreme Court granting certiorari and deciding this issue utilizing all its sources of great wisdom.

IV.

THE CONFLICT SHOULD BE RESOLVED BY A RULING THAT OBVIOUSNESS, LIKE NOVELTY AND UTILITY, IS A QUESTION OF FACT

A. Before the Instant Decision, Obviousness was a Question of Fact in the Fifth Circuit

While Petitioners admit that at times the subsequent case support for the proposition that obviousness is a question of fact is not explicit, it will be shown that Respondent's and the Fifth Circuit Court of Appeals case support is even less explicit, being simply a gallimaufry of global expressions holding *validity, not obviousness* to be a question of law.

In 1963, in *Hahn & Clay* v. *A. O. Smith Corporation*, 320 F. 2d 166, 173 (5th Cir. 1963) the Fifth Circuit Court of Appeals stated that "the question of invention was here, as it ordinarily is, one of fact . . ." See also *Duo-Flex Corp.* v. *Building Service Company*, 322 F. 2d 94, 97 (5th Cir. 1963) wherein the Court refused to reverse a finding of "nonobviousness" because it was not clearly erroneous.

More recently, in *Italit, Inc.* v. *Johns-Manville Corporation*, 331 F. 2d 663, 665 (5th Cir. 1964), the Fifth Circuit Court of Appeals stated:

> . . . The new combination of old elements brought together for the first time by the inventor, Heisler, would not have been and was not obvious to one having ordinary skill in the art at the time the invention was made." (209 F. Supp. 802)
>
> This finding of fact cannot be set aside as clearly erroneous and it warrants the conclusion that the statutory requirements for patentability have been met. (footnote citing Graver)

Even later in that same year, in the case of *Lorenz* v. *General Steel Products Company*, 337 F. 2d 726, 728 (5th Cir. 1964), the Fifth Circuit Court of Appeals stated:

> The question of whether an improvement requires mere mechanical skill or the exercise of the faculty of invention is one of fact.

The Fifth Circuit Court of Appeals cites in its decision in this case numerous recent holdings for the proposition that obviousness is a question of law. None of these cases actually stand for this proposition, rather each of these cases seem to say that *patent validity* is a question of law. *Patent validity* is undisputedly recognized to be a question of law; but, *obviousness*, as one of the *three* requisites of patentability, is a question of fact.

In *National Filters, Inc.* v. *Research Prod. Corp.*, the Court merely found it necessary to apply "appropriate standards of law to facts merely undisputed". 384 F. 2d 516 (5th Cir. 1967).

The Court of Appeals in *Sisko* v. *Southern Resin & Fiberglass Corp.*, said that obviousness was "a phase of the legal question of validity, on the result of factual inquiries." 373 F. 2d 866, 868 (5th Cir. 1967), cert. denied, 389 U.S. 824. The Court in *Sisko* went on to find that the findings of the lower court were amply supported from the facts in the record. To make *Sisko* a more confusing case, the determination of obviousness by the trial court is listed as a fact finding and as a conclusion of law.

Up-Right, Inc. v. *Safway Prod., Inc.*, 364 F. 2d 580, 582 (5th Cir. 1966) held that *nonobviousness* is now the critical word rather than *invention*, citing *Graham* v. *John Deere Co.*, 383 U.S. 1 (1966). Also, *Up-Right* reiterated the statement from *Graham, supra*, that patent *validity* (as opposed to Sec. 193 obviousness) is a question of law; but, never stated that *obviousness* was a question of law. 364 F. 2d 580, 582 (5th Cir. 1966).

Hensley Equipment Co. v. *Esco Corp.* does not state that obviousness is a question of law. 383 F. 2d 252 (5th Cir. 1967). *Metal Arts Co.* v. *Fuller Co.* holds that obviousness is a question of law, but only to the same extent that novelty, a fact issue, is. 389 F. 2d 319, 321 (5th Cir. 1968). In the *Metal Arts* case, the Court proceeds to apply the clearly erroneous rule to the factual findings of novelty thereby intimating that they would treat obviousness identically.

The Fifth Circuit Court of Appeals admits in its opinion that there is "*some* truth" to "*invention*" being a question of fact for the jury but proceeds to dispense this

truth as confusion (R. 836-837; Appendix at 9a). Yet this confusion is present in every Fifth Circuit case cited by the Court of Appeals; as shown by the Petitioner, every opinion used by the Fifth Circuit is guilty of vagueness adverse to any intelligible interpretation!

It is submitted that prior to the decision in issue here the Fifth Circuit had applied the test of obviousness, whether the proper label was used or not, *as a fact issue for the jury.* The cases supposedly holding otherwise are the result of the desire of the appellate courts to expand their powers of review. For none of these Courts of Appeals' decisions truly hold obviousness to be a question of law to be determined by the trial court judge; rather, they hold that the appellate courts desire to fully review the lower courts' decisions. It must be emphasized that this issue of appellate review is not the subject of this writ and that Petitioners do not seek to take issue with the power of appellate review, rather Petitioners seek to clarify *who* is to determine obviousness at the trial level. Therefore, the case law cited by the Fifth Circuit is not completely in point because of the overriding interest of the Court in protecting and expanding their powers has caused only confusion for the lower courts *and the Fifth Circuit prior to this case has never held obviousness to be a question of law in the trial courts.*

B. Obviousness Had Been Found to be Worthy of Factual Determination Logically and Explicitly in Other Circuits

Petitioner refers *supra* to Paragraph II. The Courts in the cases cited in Paragraph II preferred to protect the tests of patentability, rather than abrogate them. *Mahaffy, Skinner, Admiral* and *Baenitz state unequivocally that obviousness is a fact question.* And as a fact question,

obviousness is to be determined by the jury considering the nature and extent of the prior art, the scope of the claims in issue, and the level of skill of the mechanic having ordinary skill in the art.

The following cases relied on by the Fifth Circuit Court of Appeals simply hold in an equivocable manner that some unidentified phase of *patent validity* is a *question of law.* The Court in *Armour & Co.* v. *Wilson & Co.,* was not concerned with the determination of obviousness by a trial court, rather the Court was concerned with the type of appellate review necessary, 274 F. 2d 143, 151 (7th Cir. 1960). Thus, Armour did not determine that the jury had no function at the trial level in determining obviousness.

Hygienic Specialties Co. v. *Salzman, Inc.,* was a patent infringement suit which involved primary facts not in substantial dispute and there was no mention of obviousness being a question of law. 302 F. 2d 614, 617 (2d Cir. 1962); see *Tatko Bros. Slate Co.* v. *Hannon,* 270 F. 2d 571, 572 (2nd Cir.), Cert. denied, 361 U.S. 915 (1959). *Packwood* v. *Briggs & Stratton,* 195 F. 2d 971 (3rd Cir. 1952) cited by the Fifth Circuit Court of Appeals, did not even mention obviousness and merely restated the universal principle that it is an essential function of United States judges to "keep jury findings within reasoned rules and standards." 195 F. 2d 971, 973 (3rd Cir. 1952). *Packwood,* therefore, is merely restating a principle basic to all legal fields and was concerned only with the Court applying the proper legal standard.

In the Fourth Circuit, the Court did not hold obviousness to be a question of law, *only validity,* and applied the clearly erroneous rule in deference to fact findings on obviousness. *Heyl & Patterson, Inc.* v. *McDowell Co.,* 317 F. 2d 719 (4th Cir. 1963).

Therefore, obviousness has been held to be a fact question in a significant number of circuits. And the above cases supposedly holding obviousness to be a question of law are totally misleading and spurious because of the simple lack of logic in such a proposition. There is indeed a serious conflict among and within the circuits and this conflict should be resolved in favor of obviousness, as novelty and utility, being a question for the jury to determine.

The Court cites *Blish, Mize & Sillmann Hardware Co.* v. *Time Saver Tools* and Petitioner admits that this case, unlike the other cases discussed here, does hold that obviousness is a question of law. 236 F. 2d 913, 916 (10th Cir. 1956). However, Petitioner respectfully would refer to two later Tenth Circuit cases (*supra*, Paragraph II), *Skinner Co.* and *Admiral Corp.*, holding that *obviousness is a question of fact!*

C. Obviousness is Now Ripe for a Determination by the United States Supreme Court that it is a Fact Question

The first two conditions of patentability, novelty and utility have existed in the statutory scheme of patentability since the Patent Act of 1793. *Graham*, 383 U.S. 1, at 3 (1966). The third condition (obviousness) is ". . . a statutory expression of an additional requirement for patentability, originally expressed in *Hotchkiss*." *Graham, supra*, at 15.

The *Graham* decision, in considering the congressional expression of the *Hotchkiss* condition codified in 35 U.S.C. Sec. 103, noted that:

> The major distinction is that Congress has emphasized "nonobviousness" as the operative test of the section (103), rather than the less definite "invention"

language of *Hotchkiss* that Congress thought had led to "a large variety" of expressions in decisions and writings. *Graham*, 383 U.S. at 14.

Thus, *Graham* recognizes that obviousness is now the statutory condition rather than the term "invention"; therefore, the law developed to date by the Supreme Court concerning the level of skill necessary for patenting an invention, whether correctly labeled as obviousness or not, should be given great weight.

Although couched in the pre-1952 "invention" language of *Hotchkiss* rather than the "obviousness" language of Section 103, the United States Supreme Court has expressly stated that the jury decides the issue of obviousness or "invention". As early as 1886, the Court in *Keyes* v. *Grant*, 118 U.S. 25, 37, (1886) states:

> It was insisted by the patentees that no such arrangement and combination (as were present in the patent) were to be found in (the prior art) and that the improvement which they constituted was not the result of mere mechanical skill, but sprung from a genuine effort of invention; and this view was supported by the opinion of many experts skilled in the art. *In our opinion, this was a question of fact, properly to be left for determination to the jury, under law which should guide them to their verdict.*

More recently, the Supreme Court in *Thomson Spot Welder Co.* v. *Ford Motor Co.*, 265 U.S. 445, 446, (1924) noted:

> In the present case both the District Court and the Circuit Court of Appeals have held that Harmatta's improvement involved merely the exercise of mechanical skill and not invention. *The question whether an improvement requires mere mechanical skill or the exercise of the faculty of invention, is one of fact; and in an action at law for infringement is to be left to the determination of the jury.* (Emphasis added)

From the *Keyes* and *Thomson* cases it is evident that the Court considered the pre-1952 issue of "invention", now codified, to be for the jury. See also the later Supreme Court cases of *United States* v. *Esnault-Pelterie,* 299 U.S. 201, 205, (1936) and *United Gas Public Service Co.* v. *State of Texas,* 303 U.S. 123, 140, (1938) for similar holdings.

The Fifth Circuit recognized that the test of obviousness, whether labeled properly or not, was applied as a fact issue for the jury at least until 1950 (R. 833, Appendix at 6a, 7a). At this point the Fifth Circuit in the instant case stated that *Great Atl. & Pac. Tea Co.* v. *Supermarket Equip. Corp.,* 340 U.S. 147 (1950), was cited as "direct authority" for *patent validity* being a question of law by *Graham.* And the Fifth Circuit seemed then to be satisfied that obviousness was, therefore, a question of law in spite of the fact that they themselves admit that "the relevant holding in that case is less than crystal clear" (referring to *A & P*). (R. 833, Appendix at 7a). *And even more importantly, Graham did not cite A & P for the proposition that obviousness is a question of law, rather the 1950 Supreme Court case was cited for the undisputed proposition that "the ultimate question of patent validity is one of law"!* *Graham* at 17.

Petitioner does not suggest that obviousness has been emphatically held to be a question of fact; but, Petitioner points out that obviousness has not been held clearly to be a question of law as the Fifth Circuit so stated, except in *Blish, supra,* but even later cases in the same Circuit have held to the contrary. The issue simply has not been decided by the Supreme Court of the United States; the last two Supreme Court opinions concerning patentability are not directed to the question which is presented to the

Court at this time. And there is no solid language in either of these last two opinions which can be relied upon by the inventors and courts. There is confusion, but the confusion is total and envelopes completely all possibilities of interpretation either for or against the proposition before the Supreme Court today.

It is, therefore, submitted that the Supreme Court of the United States, in all its wisdom, must come to the aid of the weary judges and attorneys who have attempted to resolve the question of obviousness being a question of fact *vel non* with a clarification of the case law and delineation of clear guidelines for the trial courts to use in patent trials in the future.

And it is urged that the Supreme Court can come to only one conclusion — that obviousness, like novelty and utility, is a question of fact to be determined by the jury. This is the only logical conclusion because the Supreme Court case law prior to 1950, even as admitted by the Fifth Circuit Court of Appeals, *supra,* advocated the position that obviousness (in substance, if not in label) should be determined by a jury. The *Graham* decision does not oppose this conclusion just because it refers to patent validity being a question of law. 383 U.S. at 17. For validity and obviousness are not synonymous in that novelty, utility and obviousness are *all* necessary to patentability; in other words, patentability is a function of all three of these requisites and is a question of law in the sense only of enforcing the proper legal tests for novelty, utility and obviousness. This position is further strengthened by *Graham's* immediate deference to "several basic factual inquiries" of Section 103 after the greatly misinterpreted statement that validity is a legal question. 383 U.S. at 17.

V.

THE LAW OF NEGLIGENCE PROVIDES AN APPROPRIATE FRAME OF REFERENCE FOR SHOWING THAT OBVIOUSNESS IS FOR THE JURY

In *Graham* the Court said that "it is the duty of the Commissioner of Patents and of the courts in the administration of the patent system to give effect to the constitutional standard by appropriate application in each case, of the statutory scheme of the Congress." *Graham* 383 U.S. at 6.

While the Court was not directly confronted with the precise aspects of the application of the obviousness heirarchy, the Court did observe, as previously noted, that "obviousness lends itself to several basic factual inquiries." *Graham,* 383 U.S. at 17. The Court went on to say:

> That is not to say, however, that there will not be difficulties in applying the nonobviousness test. What is obvious is not a question upon which there is likely to be uniformity of thought in every given factual context. *The difficulties, however, are comparable to those encountered daily by the courts in such frame of reference as negligence and scienter,* and should be amenable to a case-by-case development." (Emphasis added)

Thus, in selecting the proper frame of reference to guide the courts in applying the test of obviousness, the Court referred to negligence as being apposite. This premise, emminently cogent and reasonable, that findings concerning patentability may be compared to other fields of law, such as findings of negligence and proximate cause, was also mentioned by the Third Circuit in *Packwood* v. *Briggs & Stratton Corp., supra,* at 973.

For the application of the statutory scheme in a patent case parallels very closely the submission of the charge and

issues to a jury in a negligence case. Professor Prosser in his treatise on Torts outlined the following steps — some of which are for the Court and others for the jury — in his analysis of the mechanics of handling the question of negligence:

> The existence of negligence in a particular case often is said to be a mixed question of law and fact. By this it is meant, not only that both the Court and the jury have an important part to play in the determination of the issue, and that separate functions to some extent overlap, and that it is not easy to fix any definite line of demarcation. It is said also that the court must decide questions of law, and the jury questions of fact. But this means little or nothing until some method of classification is provided, by which 'law' must be distinguished from 'fact', and the division of functions between court and jury is a matter rather of historical origins and present policy than of any such definitions. (Prosser)
>
> The issue of negligence presents at least five more or less distinct questions, as to which the court and the jury have separate parts to play in reaching a decision. These are as follows:
>
> 1. The sufficiency of the evidence to permit a finding of facts. Prosser, Torts, (3d ed. 1964)

Over any question of fact the Court always has a preliminary power of decision—whether the evidence is such that reasonable men cannot differ as to its implications or the inferences to be drawn therefrom. This function is always for the court.

> 2. The weight of the evidence as establishing the facts. Once it is determined that reasonable men may differ as to whether a fact has been proved, the probative value of the evidence, and the conclusion to be drawn from it, lies in the hands of the jury. They must

not only decide as to the credibility of the testimony, but draw or refuse to draw any inferences from the testimony as to which there may be reasonable difference of opinion. In this respect, negligence cases do not differ from any others.

3. The existence of a duty. In other words, whether upon the facts in evidence, such a relation exists between the parties that the community will impose a legal obligation upon one for the benefit of the other—or, more simply, whether the interest of the plaintiff which has suffered invasion was entitled to legal protection at the hands of the defendant. This is entirely a question of law to be determined by reference to the body of statutes, rules, principles and precedents which make up the law; and it must be determined only by the court. Prosser, *supra, at* 207

4. The general standard of conduct. As has been said before, this is the necessary complement of duty. In negligence cases, once a duty is found, the duty, in theory at least, always requires the same standard of conduct, . . . that of a reasonable man under the same or similar circumstances. . . . Since the standard is a legal rule, from which the jury are (*sic*) not free to deviate, it is a matter of law, and is to be applied by the court. Almost invariably this application takes the form of an instruction to the jury declaring, briefly or more fully, a formula such as that of the reasonable man of ordinary prudence. Prosser, supra, pp. 207, 208.

5. The particular standard of conduct. Since it is impossible to prescribe definite rules in advance for every combination of circumstances which may arise, the details of the standard must be filled in in each particular case. The question then is what the reasonable man would have done under the circumstances. Under our system of procedure, this question is to be determined in all doubtful cases by the jury. . . . Prosser, supra, p. 208.

Jury trials in patent cases are no different from trials in other cases. The same format of cooperation or interaction between the Court and jury obtains. Thus, as stated in *Hansen* v. *Safeway Stores*, 238 F. 2d 336 (9th Cir. 1956) at page 339:

> The issue as to whether there subsists in a device upon which letters patent have issued, novelty, utility and invention is one of fact. This explains the allowance of a jury trial in such a case . . .
>
> *In a jury trial of a patent case, the same rules prevail as in ordinary cases.* There is no special exception simply because an alleged patent is involved. (emphasis added)

As the Court of Appeals for the Fifth Circuit said in *Wells* v. *Warren*, 328 F. 2d 666 (1964) at page 668:

> It is the function of the jury not the court, to weight and evaluate the evidence on both sides of a contested question. If there is a conflict in the evidence, the jury must resolve such conflicts. If legitimate, contrary inferences may be drawn from the evidence, the choice of the proper deduction is also for the jury . . . There must be a conflict in substantial evidence. Substantial evidence is evidence of such quality, character and weight as would justify a reasonable person in drawing the inference of fact that is sought to be sustained. If the state of evidence is such that it presents no conflict, nevertheless, if reasonable minds may draw conflicting or contrary inferences from the same evidence requiring different verdicts, it is for the jury to determine which is the correct inference.

In applying Posser's five-step analysis of the respective function of Court and jury in negligence cases to the trial of a patent infringement case, it will be seen that the first two steps are identical in both cases. The Court determines whether the evidence is sufficient to support more

then one conclusion or inference, in which event the case is submitted to the jury under appropriate instructions from the Court with regard to the law. This the Court does "as a matter of law".

Although the nature of the second question of law for the Court, i.e., the legal duty (step 3), differs in patent cases from that in negligence cases because of substantive law differences, it is apparent that so-called legal duty is imposed on those seeking to obtain a patient, i.e., they must comply with the statutory scheme of new, useful, and nonobvious imposed by the statute.

The third question of law for the court (step 4) pertains to the general standard of conduct. In negligence cases, this is the familiar "reasonable man standard". Its patent case counterpart is 35 U.S.C. 103 (man of ordinary skill in the art) and, therefore, by analogy, should also be submitted to the jury by proper instruction.

Next comes the final step taken by the jury. In a negligence case it is a determination of what would have been the conduct of the reasonable man under the circumstances.

In patent cases it is a determination by the jury of what would have been "obvious" to a person skilled in the art under the circumstances noted in *Graham*, i.e., the circumstances of (1) the scope and content of the prior art, (2) the differences between the prior art and the claims at issue and (3) the level of skill in the art.

Thus, in this context, the factual issue of obviousness is determined by the jury under appropriate instructions from the Court whereby the Court applies the law in each case.

This is not to say that in every case the full five-step procedure will be applied. It is apparent that by applica-

tion of stare decisis, areas will be developed in the law of patents — in fact, have already evolved — which are similar to the law of negligence in that the courts have already determined that certain conduct evolkes a certain conclusion about which reasonable men cannot differ. In negligence cases, it has been held that it is negligent to cross a street without looking. Similarly, in patent cases, it has been held that the mere substitution of materials is not patentable. See the Court's charge to the jury in *Hotchkiss v. Greenwood*, 52 U.S. (11 How.) 248, 265 (1850).

VI.

NOVELTY AND OBVIOUSNESS SHOULD BOTH BE QUESTIONS OF FACT, OR QUESTIONS OF LAW

The Fifth Circuit has stated that novelty is a fact question but has held that obviousness is a question of law even though both novelty and obviousness are requisites of patentability (R. 830, Appendix at 4a). It is submitted that the Fifth Circuit has taken an untenable position because the concepts of novelty and obviousness are practically identical in their determination factors. For both novelty and obviousness require the determination of the scope and content of the prior art, and the difference between the prior art and the claims in issue. These two evidentiary factual inquiries used to determine novelty are not put to the jury directly, rather the jury is simply instructed by the court to consider these basic elements of novelty in determining the ultimate factual issue of whether the subject matter of the patent in question is novel.

Obviousness consists of the identical basic factual inquiries as novelty does and adds the additional factual inquiry of finding the level of ordinary skill in the art.

With these basic factual inquiries instructed to the jury as "background" (see *Graham* at 17), the jury is to determine the ultimate question of obviousness just as the jury determines novelty as the ultimate factual issue. Certainly, this is the imminently logical and only conclusion that can be drawn from the treatment of the issue of novelty, for it would be entirely without justification to hold that obviousness is a law question when novelty is a fact question.

VII.

CONCLUSION

For the foregoing reasons, this petition for a Writ of Certiorari should be ganted, and, it is respectfully requested that your petitioners may be permitted by the Court to present this case on oral argument.

Respectfully submitted,

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CERTIFICATE OF SERVICE

Service of this Petition has been made upon B & W, Inc., Respondent by depositing a copy in a United States mail box, first class postage prepaid to Tom Arnold, Esq., 2220 Tennessee Building, Houston, Texas 77002, on August 26, 1968, and by depositing a copy in a United States mail box, air mail postage prepaid to each R. Douglas Lyon, Esq. and James H. Mitchell, Esq. at 811 West Seventh Street, and 727 West Seventh Street, respectively, Los Angeles, California 90017, on August 26, 1968.

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Attorney for Petitioners